

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

January 27, 2022

Company name: Aica Kogyo Company, Limited
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 4206 URL <http://www.aica.co.jp>
 Representative: President Yuji Ono
 General Manager, Financial Management Department Yousuke Mori TEL 052-533-3135
 Scheduled date to file Quarterly Securities Report: February 8, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2021	152,771	22.8	14,213	21.4	15,266	25.4	9,519	33.7
Nine months ended December 31, 2020	124,399	(11.7)	11,712	(24.7)	12,177	(25.1)	7,117	(29.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	145.78		145.73	
Nine months ended December 31, 2020	109.01		108.97	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	222,934	156,531	62.8
As of March 31, 2021	207,363	150,505	65.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	49.00	–	58.00	107.00
Year ending March 31, 2022	–	50.00	–		
Year ending March 31, 2022 (Forecast)				58.00	108.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	200,000	14.5	21,000	16.7	21,400	16.1	13,000	20.8	199.10

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2021	67,590,664 shares	As of March 31, 2021	67,590,664 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	2,289,447 shares	As of March 31, 2021	2,297,405 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	65,297,371 shares	Nine months ended December 31, 2020	65,293,601 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	42,420	36,045
Notes and accounts receivable - trade	57,892	65,046
Merchandise and finished goods	9,537	14,042
Work in process	1,064	1,469
Raw materials and supplies	7,584	11,924
Other	8,582	8,214
Allowance for doubtful accounts	(612)	(683)
Total current assets	126,468	136,059
Non-current assets		
Property, plant and equipment	50,750	55,288
Intangible assets		
Goodwill	4,589	5,640
Other	7,931	8,048
Total intangible assets	12,520	13,689
Investments and other assets		
Other	17,635	17,898
Allowance for doubtful accounts	(12)	(1)
Total investments and other assets	17,623	17,897
Total non-current assets	80,894	86,875
Total assets	207,363	222,934
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,469	28,808
Electronically recorded obligations - operating	4,887	6,538
Short-term borrowings	6,015	7,805
Income taxes payable	3,428	894
Provision for bonuses	2,090	1,427
buy-sell transaction liabilities	–	1,895
Other	7,633	7,856
Total current liabilities	47,524	55,226
Non-current liabilities		
Long-term borrowings	1,255	2,154
Retirement benefit liability	1,486	1,558
Other	6,591	7,464
Total non-current liabilities	9,333	11,176
Total liabilities	56,858	66,403

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Net assets		
Shareholders' equity		
Share capital	9,891	9,891
Capital surplus	13,280	13,294
Retained earnings	110,563	113,041
Treasury shares	(2,011)	(2,150)
Total shareholders' equity	131,724	134,077
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,594	4,379
Deferred gains or losses on hedges	(0)	2
Foreign currency translation adjustment	(1,512)	1,346
Remeasurements of defined benefit plans	(26)	266
Total accumulated other comprehensive income	3,055	5,995
Share acquisition rights	27	23
Non-controlling interests	15,697	16,434
Total net assets	150,505	156,531
Total liabilities and net assets	207,363	222,934

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	124,399	152,771
Cost of sales	89,659	113,613
Gross profit	34,740	39,158
Selling, general and administrative expenses	23,027	24,944
Operating profit	11,712	14,213
Non-operating income		
Interest income	145	133
Dividend income	307	341
Gain on sale of investment securities	556	164
Other	754	744
Total non-operating income	1,764	1,384
Non-operating expenses		
Interest expenses	137	157
Sales discounts	103	–
Delayed delivery fee	552	–
Other	505	174
Total non-operating expenses	1,299	332
Ordinary profit	12,177	15,266
Extraordinary losses		
Business restructuring costs	273	122
Total extraordinary losses	273	122
Profit before income taxes	11,904	15,143
Income taxes - current	4,085	4,231
Income taxes - deferred	(22)	593
Total income taxes	4,062	4,825
Profit	7,841	10,318
Profit attributable to non-controlling interests	724	798
Profit attributable to owners of parent	7,117	9,519

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	7,841	10,318
Other comprehensive income		
Valuation difference on available-for-sale securities	768	(215)
Deferred gains or losses on hedges	(19)	3
Foreign currency translation adjustment	(2,411)	3,758
Remeasurements of defined benefit plans, net of tax	(25)	292
Share of other comprehensive income of entities accounted for using equity method	(5)	29
Total other comprehensive income	(1,693)	3,868
Comprehensive income	6,148	14,187
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,024	12,458
Comprehensive income attributable to non-controlling interests	124	1,728